CITY OF MOUNT VERNON POLICY REGARDING THE MOUNT VERNON FIBER SYSTEM

Mount Vernon Fiber System

Policy Number:

MVF-01

Number of Pages:

2 (plus exhibit)

Authority: Chapter 35A RCW

Subject:

Mount Vernon Fiber System Line Extension Policy

Supercedes:

N/A Supplements existing practice and rules

Signature of Issuing Authority:

Mayor

Finding:

The City finds that it has a number of license agreements with service providers allowing them to utilize the City of Mount Vernon's Fiber System subject to the terms and conditions found within these agreements. While the City will generally construct line extensions, the City finds it is in the best interest of the Mount Vernon Fiber System to adopt a line extension policy neither inconsistent nor contrary to any agreement but supplements existing practices. In the event this policy is inconsistent or contrary to any agreement between the City and a service provider, the agreement shall govern.

City of Mount Vernon Fiber Network Line Extension and "Latecomers" Policy.

1. This policy outlines the City's line extension and "latecomers" policy and applies to any service provider (SP) who requests a direct fiber connection to an end user customer location from a City distribution point. If you have any questions regarding this policy, please contact the City through any of the means listed under "Contact Us" at the end of this document.

2. Line Extension

Generally, all line extensions shall be constructed by the City (the "Work"). City shall construct such lines extension when requested by: 1) an SP who requests a direct fiber connection to a particular location, or 2) a property owner who requests for a direct fiber connection to his or her property or structure(s).

City shall provide a flat rate cost for the Work based on time and materials. Costs for the work are set forth in Exhibit 1 attached hereto. Costs for installs shall be applied equally to all SP and property owners according to Exhibit 1 as now or hereafter amended who make requests unless requests include undergrounding. In the event undergrounding is requested, City shall provide a reasonable estimate for the Work. SP (or property owner if directly requested) shall pay actual costs for the Work as reflected by invoice. City reserves the right to amend Exhibit 1 at its sole discretion. All SPs (or property owner if directly requested) will be solely responsible for the cost of construction from a City distribution point node to the customer location. The City shall own all property associated with line extensions, even if the extensions are funded by an SP or property owner, in order to guarantee those facilities remain available.

City will not provide a line extension in the event no available capacity exists. In addition:

- The SP or property owner shall be responsible for maintenance, repair, or upgrade of any underground or conduit system or fiber facility located outside the City right of way beginning at the property line of the location.
- Non-recurring Charge (NRC) an additional one-time charge for provisioning and administrative overhead, not to be included as part of any other calculation shall be included in the install rates set forth in Exhibit 1 no additional charges of that nature shall be added.
- Any expansion of the Mount Vernon Fiber System to include new areas not served by the City or underserved by the City where there does not currently exist City fiber optic cable at the nearest right of way to the property to be served and connected thereto or inadequate fiber optic cable is located at the nearest right of way to the property to be served and connected thereto shall be at the sole discretion of the City. In the event the City decides to provide service to the new area at the request of and proposed funding by a SP, a meeting of all parties to discuss feasibility, receive SP feedback, and establish additional fair financing shall occur.

All parties to the network shall meet regularly, no less than once per year, to review the network, including fiber and infrastructure and access to current maps and information regarding the City's plans for expansion.

3. Latecomers Fee

SPs who request to connect to an existing line extension constructed at the request of and paid by the Provider (i.e. fiber line from a City's distribution point to a specific location requested by a Provider) will be required to share the costs associated with the original construction.

When the SP requests additional new service connects to any particular original line extension within 5 years of original construction, the SP shall pay to the City one half of the original cost of the line extension as the Latecomer Fee. When the SP requests additional new services connects to any particular original line extension within 6-10 years of the original construction, the SP shall pay to the City one third of the original cost of the line extension as the Latecomer Fee. The Latecomer Fee will be refunded to the SP who paid for the original construction.

This Latecomer Fee repayment program will be in force for ten (10) years after date on which the original construction was completed. Thereafter, no further Latecomer Fee refunds will be made to the SP that constructed the original line extension.

Contact Us

Mount Vernon Fiber Technician

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Approved by:

Jil Boudreau, Mayor

EXHIBIT 1

Fiber Install Rates as of July 1, 2017 (Rates subject to change please confirm with Mount Vernon Fiber Technician as to current rates)

\$350 plus tax per half day of work, with a half day (\$350) minimum charge.

If underground work is required, a third party is required for the work and costs shall vary depending on bids. By way of example, most current bids received charge a minimum of \$25 per foot.